The undersigned organizations jointly support the following principles and believe that they should form the foundation for an AB 32 forest sector strategy.

- 1) California forests should play a key role in helping the state meet the emissions reductions goals of AB 32.
 - ➤ ARB should adopt an explicit target for emissions reductions from the forest sector.
 - ➤ The forest sector target should address both annual reductions in 2020 and cumulative reductions to 2020 and beyond.
 - The state should consider a range of policies to achieve forest sector emissions reductions including market mechanisms, incentives, regulations, and voluntary programs.
- 2) Forest climate policies must be designed to maintain and expand existing environmental and social protections.
 - ➤ Forests provide a range of significant public and environmental benefits including clean water, biodiversity, fish and wildlife habitat, recreation, aesthetics, and sustainable local economies. Climate policies adopted under AB 32 should not undermine these benefits, but instead should support and expand on them.
 - California's AB 32 strategy should include policies specifically designed to enhance the adaptive capacity of forests through increased forest ecosystem diversity and resilience in the face of climate change impacts.
 - ➤ Forest sector emissions reductions and sequestration projects should include strong environmental standards to protect ecosystems.
- 3) A rigorous and credible GHG accounting system is essential in order to achieve forest sector emissions reductions.
 - ➤ Greenhouse gas accounting for the forest sector must be standardized and comprehensive, and should ensure that emissions reductions meet the requirements of AB 32 of being real, permanent, quantifiable, verifiable, and enforceable. The California Climate Action Registry (CCAR) Forest Protocols, which were recently adopted by the Air Resources Board for voluntary emissions reductions from the forest sector, provide the foundation for this accounting framework.

- ➤ Forest sector projects should not be credited with emissions reductions under AB 32 unless they comply with adopted, rigorous accounting protocols. In particular, fuels reduction and forest thinning projects should not be credited with emissions reductions benefits until and unless they comply with rigorous, credible accounting protocols that demonstrate climate benefits.
- Any new additions or modifications to the accounting standards already adopted by ARB should meet or exceed the existing standards of the CCAR Forest Protocols.
- 4) California's forest sector climate strategy should address total GHG emissions associated with the consumption of forest products, in addition to net emissions from in-state forestlands.
 - ➤ The forest sector strategy must include the development of an accounting framework that accurately assesses total forest sector emissions, including emissions associated with imported wood products.
 - The forest sector strategy should include measures to reduce greenhouse gas emissions associated with the demand for wood products, such as wood use efficiency and recycling. Measures to substitute wood for more carbonintensive products such as steel and cement may also be helpful.

Endorsing organizations:

CalTrout

California Council for Land Trusts
Environmental Defense
Natural Resources Defense Council
Pacific Forest Trust
The Nature Conservancy
Sierra Club California

January 24, 2008